

Apparel & Footwear

Outsourced Production

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1. Outsourced production

The following is the step by step process to follow when the client works with outsourced production.

1.1 Setup – Vendor Warehouse

Sometimes, companies need to process or access raw material stock to vendor warehouses when sending out manufacturing operations (sewing, cutting, etc). In this case a new warehouse needs to be created and linked to the vendor master data code.

Business Partner Master Data

Code	Manual	V0001	Vendor
Name	Apparel Vendor demo		
Foreign Name	Apparel Vendor demo		
Group	Proveedores		
Currency	All Currencies		
Federal Tax ID			

General	0.00	Addresses	Payment Terms	Payment R
IS EDI				
Factor Account				
Label File Name				
EDI Receiver ID				
FOB Code				
Edi Vendor				
EDI 856 Level				
EDI 810 Level				
EDI 850 Level				
Uses Allocation Module	Yes			
Allocation Priority	High			
Allocation Deafult Warehc	Almacén Bins			
Allocation Warehouse Bn				

Default vendor is also linked to the manufacturing operation. When releasing the order the job is automatically linked to this Vendor id.

Item Master Data

Item No. O001
 Description
 Foreign Name
 Item Type
 Item Group
 UoM Group
 Price List
 Model

☐ Inventory Item
☒ Sales Item
☒ Purchase Item
☒ Operation
☒ Available To Send Out
☐ Raw Material

Bar Code
 Unit Price 14,58 EUR

General **Purchasing Data** **Sales Data** **Inventory Data** **Planning Data** **Properties** **Remarks**

Preferred Vendor
 Mfr Catalog No.
 Purchasing UoM Name
 Items per Purchase Unit
 Packaging UoM Name
 Quantity per Package

List of Business Partners

Find

#	BP Code	BP Name	BP Bal...
1	V0001	Apparel Vendor demo	-2,55
2	V0002	Vendor 2	
3	V00023	Protexa	

1.2 Setup – Link material to manufacturing operation


When consuming or taking stock during manufacturing process and send out it is important to automate the process by linking the raw material to the consuming manufacturing operation. This happens during costing the style and then transfer to the next levels (BOMs, Cutting Tickets, etc.)

Product

Doc. Numbering
 Code
 Description
 Foreign Description
 Status
 Product Line
 Product Group
 AF Segmentation
 SAP Item Group
 Season
 Collection
 Sub-Collections
 Composition
 Symbols Group
 Brand

Designer
 Department
 Year
 Merchandiser
 Country of Origin
 Ship Start Date
 Ship Cancel Date
 Customer
 Vendor
 Main Warehouse
 Secondary Warehouse
 Price List
 Currency

☒ Inventory Item
☒ Sales Item
☒ Purchased Item
☐ Fixed Assets
☒ Active
☐ Raw Material
☐ Embroidery-Engravi



Cost Sheet

Model Code
 Cost Sheet Internal C
 Cost Sheet Code
 Currency
 Description

Vendor
 Name
 Contact Person

Components			Operations				Schemas				Summary			
#	Item No.	Item Description	Quantity	CxT	CxGT	CxS	CxC	UoM	Whse	Link Operation	Dist. Rule	Issue Method	Price List	
1	MP374788	EVA 992883	3,500					MTS	02	O001 - CORTE		Backflush	Lista de prec	
2	1261	100% lana super 20	2,000							O00100 - Corte / Cutting		sh	Lista de prec	
3	HANTAG	HANTAG	1,000							O00100 - Estampado			Lista de prec	
										O002 - Costura/Sewing				
										O00101 - Planchado / Ironing				
										O00102 - Embalado / Packaging				

1.3 Purchase order

A purchase order is generated with all the information of the Operation and of the Materials in the production order to be delivered to the provider.

In the Operation ID, choose the option “Create purchase order” when the production process is outsourced and needs to be sent to a provider.

The screenshot shows the 'Manufacturing Order' window. The 'Job' tab is active, displaying details for a job with User 'manager', Vendor 'V0002', and Operation 'Corte / Cutting'. A context menu is open over the 'Products Data' table, with the 'Create Purchase Order' option highlighted in red. The table lists items with codes like M50002-200-S and M50002-300-L.

#	Item Code	Bar Code	Issued
1	M50002-200-S	00000210	5,000
2	M50002-200-M	00000210	5,000
3	M50002-200-L	00000210	5,000
4	M50002-200-XL	00000210	5,000
5	M50002-300-S	00000210	5,000
6	M50002-300-M	00000210	5,000
7	M50002-300-L	00000210	5,000
8	M50002-300-XL	00000210	5,000

The screenshot shows the 'Purchase Order' window. The 'Contents' tab is active, displaying a list of items with their descriptions and planned quantities. The 'Totals' section at the bottom right shows the total before discount, discount, tax, and total payment due.

#	Item No.	BP Catalog No.	Item Description	Quantity	Unit Price	Discou...
1	O001		Corte / Cutting	40	1,00 USD	
2						
3			Style= M50002-200-S - Planned Quantity= 5			
4			Style= M50002-200-M - Planned Quantity= 5			
5			Style= M50002-200-L - Planned Quantity= 5			
6			Style= M50002-200-XL - Planned Quantity= 5			
7			Style= M50002-300-S - Planned Quantity= 5			
8			Style= M50002-300-M - Planned Quantity= 5			
9			Style= M50002-300-L - Planned Quantity= 5			

Total Before Discount	80,00 EUR
Discount	%
Rounding	0,00 EUR
Tax	14,40 EUR
Total Payment Due	94,40 EUR

1.4 Send out- Process

The process begins creating a Cutting Ticket or manufacturing order in the AFS module.

The Bill of Materials screen shows all the production operations associated to a style. Once a production order gets created, all the operations are picked from the bill of materials and an ID is generated that's linked to a detail of the quantities of each operation for the production order.

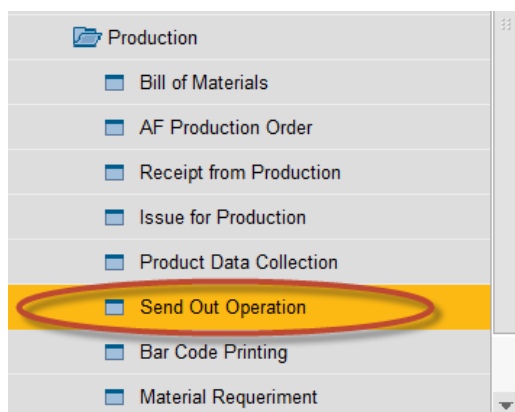
After your release the order the bar codes are created in the system to track each style-color-size or variant.

Stage	Oper Id	Operation No.	Description	Status
1	411	O001	Corte / Cutting	Open
2	412	O00100	Estampado	Open
3	413	C002	Costura/Sewing	Open
4	414	O00101	Planchado / Ironing	Open
5	415	O00102	Embalado / Packaging	Open
6	416	O024	QA	Open

Contractor	User	Barcode	Planned Qty	Issue Qty	Bad Qty	Resived Qty	Comments
V0001	manager	0000041100011	8,000	8,000	0,000	0,000	
	manager	0000041100028	8,000	8,000	0,000	0,000	
	manager	0000041100035	8,000	8,000	0,000	0,000	
	manager	0000041100042	8,000	8,000	0,000	0,000	
	manager	0000041100059	8,000	8,000	0,000	0,000	
	manager	0000041100066	8,000	8,000	0,000	0,000	
	manager	0000041100073	8,000	8,000	0,000	0,000	

To access the send out there are two options:

1. By opening the send out form from the menu option. This option allows users to scan the codes

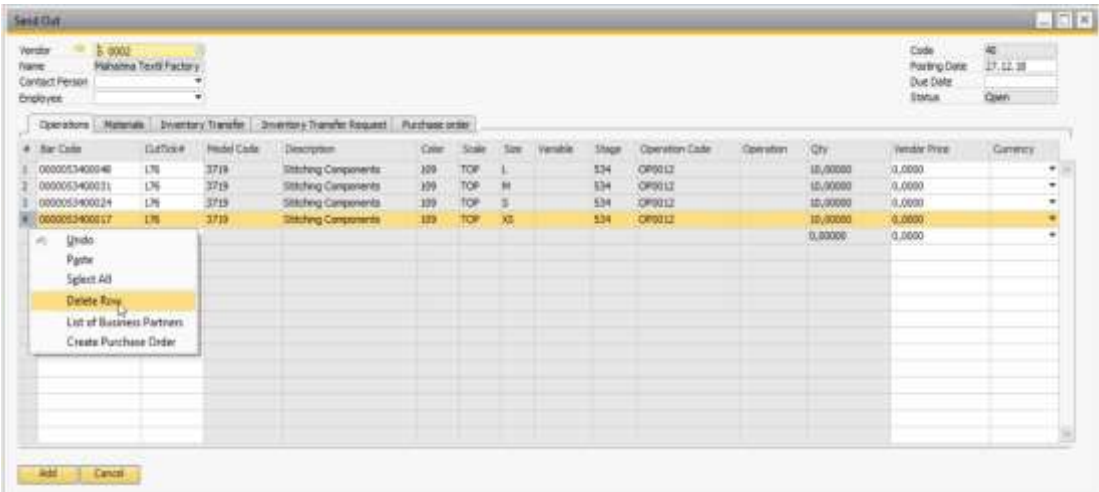


- From the manufacturing job. It copies all bar codes from the job to the send out. If some codes are not being sent out the user can remove the codes. In some cases a job (sewing) needs to be processed by more than one external vendor.

1.5 The send out form

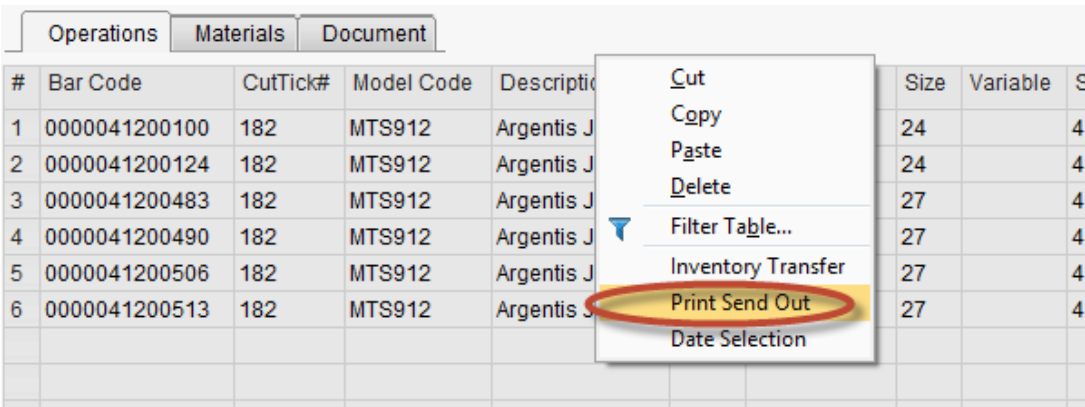
This form and object allocates all style sku's to be send out to an external vendor. The document allows users to track the barcodes, vendor, planned delivery date, materials issued to vendors and transactional documents processed.

It's possible to create Several send out document to a same Operation.
When creating the send out, delete the items that should be for a different Vendor




1.6 Send out – report

A new report has been added to the system



Send Out Code : 5	Vendor: PS001
Posting Date : 10/03/2014 0:00:00	Name : PEDRO SOTO
Due Date : 28/03/2014 0:00:00	

Bars Code

<p>000100 Estampado</p>  <p>0000041200100</p> <p>MT S912 Argentis Jeans Color: Chambray Size: 24 Qty: 8,00</p>	<p>000100 Estampado</p>  <p>0000041200124</p> <p>MT S912 Argentis Jeans Color: Chambray Size: 24 Qty: 8,00</p>
<p>000100 Estampado</p>  <p>0000041200483</p> <p>MT S912 Argentis Jeans Color: Chambray Size: 27 Qty: 8,00</p>	<p>000100 Estampado</p>  <p>0000041200490</p> <p>MT S912 Argentis Jeans Color: Chambray Size: 27 Qty: 8,00</p>

1.7 Changing the raw material warehouse to the vendor warehouse

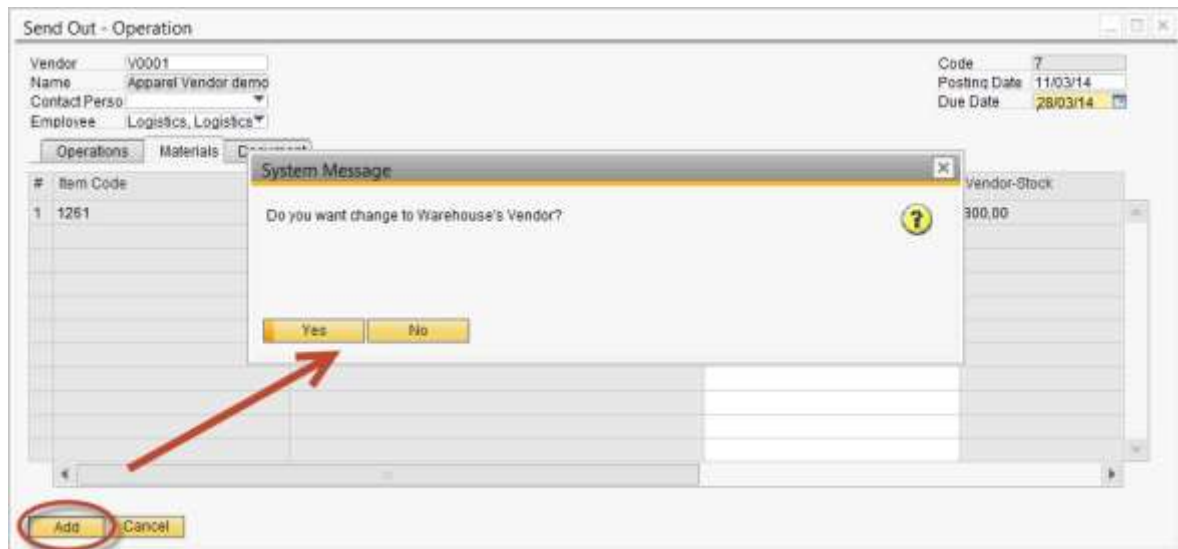
Companies usually own the raw materials. During the manufacturing process, there are scenarios where raw materials need to be transferred and consumed from the vendor warehouse and not from the operating company. When processing a send out from a job, the system allows you to change the warehouse form the raw materials linked and also review how much stock the vendor has for a particular raw material.

Select the raw materials needed to be transferred or consumed from the vendor warehouse. The quantity is taken from all styles in the cut ticket and can be modified by the user.

The screenshot shows the 'Send Out - Operation' window in SAP. The header bar is yellow with the title 'Send Out - Operation'. Below the header, there are input fields for Vendor (V0001), Name (Apparel Vendor demo), Contact Person (dropdown), and Employee (Logistics, Logistics). To the right, there are fields for Code (7), Posting Date (11/03/14), and Due Date (20/03/14). Below these fields are three tabs: Operations, Materials, and Document. The main area contains a table with columns: #, Item Code, Item Description, Qty, and Vendor-Stock. The first row has values: 1, 1261, 100% lana super 20, 800.00, and 800.00. The Qty and Vendor-Stock columns are circled in red. At the bottom left, there are 'Add' and 'Cancel' buttons.

#	Item Code	Item Description	Qty	Vendor-Stock
1	1261	100% lana super 20	800.00	800.00

When adding the send out the system, the warehouse can be changed if the user selects yes to the message.



Finally the cut ticket is updated with the warehouse #02 previously linked to the vendor.

Content Details Operations Cost Summary									
Set all status to Choose All Clear Selection									
#	Update	PO Entry	PO No.	Status	Style-Logo	Item Code	Item Description	Planned	Received From ...
1	<input checked="" type="checkbox"/>	803	803	Releaser	MTS912	MTS912-928-24	Argentis Jeans Chambray : 100,000	0,000	
2	<input checked="" type="checkbox"/>	804	804	Releaser	MTS912	MTS912-928-25	Argentis Jeans Chambray : 100,000	0,000	
3	<input checked="" type="checkbox"/>	805	805	Releaser	MTS912	MTS912-928-27	Argentis Jeans Chambray : 200,000	0,000	
Total Units 400,00									
#	Item Code	Item Description	Base	Planned	Issued	Available	UoM	Warehouse	Dist. Rule
1	MP374788	EVA 992883	3,500	350,000	0,000	-1,400,000	MT	02	CORTE
2	1261	100% lana super 20	2,000	200,000	0,000	0,000	MTS	02	PARADO
3	HANTAG	HANTAG	1,000	100,000	0,000	100,000		01	QA
4	0001	Corte / Cutting	1,000	100,000	0,000	0,000	MIN	01	

1.8 Transferring raw material to the vendor warehouse

If the stock is managed by vendor there are two options:

1. Backflush. Once the final product is received the raw material is consumed from the vendor warehouse and the product cost updated.
2. Manual. The user needs to issue the material from the vendor warehouse.

For both cases you need to transfer the material needed if the vendor warehouse falls in negative inventory stock. Otherwise the materials remain in the internal warehouse.

Send Out - Operation

Vendor: V0001
Name: Apparel Vendor demo
Contact Person: Logistics, Logistics A
Employee: Logistics, Logistics A

Code: 7
Posting Date: 11/03/14
Due Date: 28/03/14

Operations Materials Document

Filter Table...
Inventory Transfer
Print Send Out

#	Item Code	Item Description	Qty	Vendor Stock
1	1261	100% lana super 20	800.00	800.00

OK Cancel

Inventory Transfer

Business Partner:
Name:
Contact Person:
Ship To:

Number: 5
Series: Primario
Posting Date: 11/03/14
Document Date: 11/03/14

From Warehouse: 01
Price List: Last Purchase Price

To Warehouse: 02

#	Item No.	Item Description	From War...	From Bin Loca...	To Ware...	To Bin Locations	Qua...
1	1261	100% lana super 20	01		02	800	800
2			01		02		

Sales Employee: -Ningún empleado dep.ventas-
Journal Remarks: Inventory Transfers -

Remarks:

Add Cancel Add A. F. Items Copy From

Once de document is generated the stock is increases in the vendor warehouse.

Send Out - Operation

Vendor: V0001
Name: Apparel Vendor demo
Contact Person: Logistics, Logistics A
Employee: Logistics, Logistics A

Code: 7
Posting Date: 11/03/14
Due Date: 28/03/14

Operations Materials Document

#	Item Description	Qty	Vendor Stock
1	0% lana super 20	800.00	1.600.00

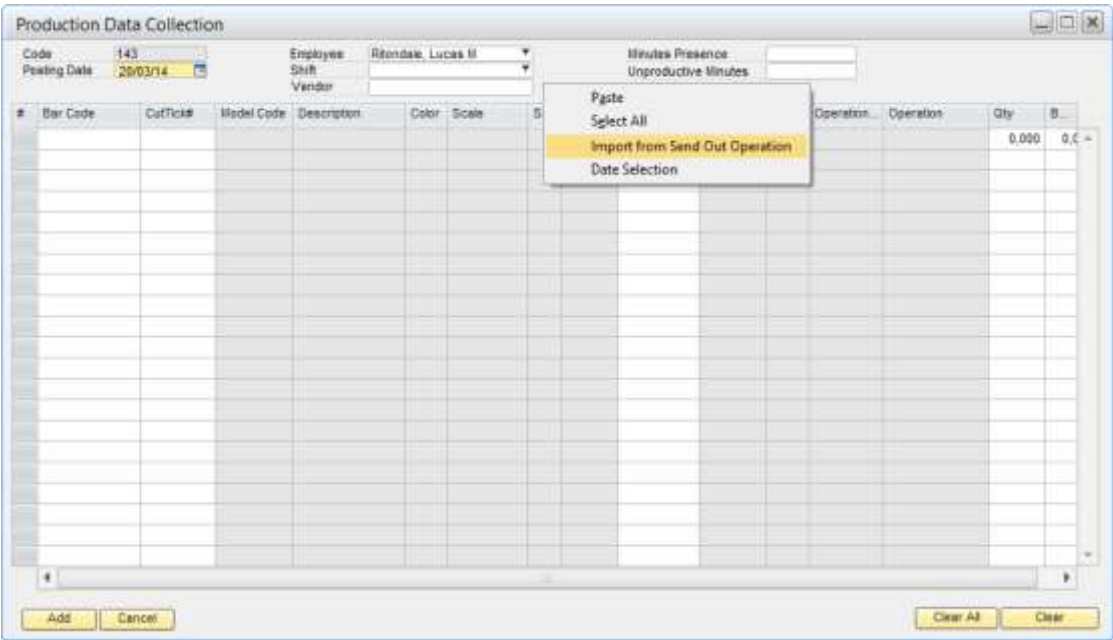
OK Cancel

The transfer document gets linked to the process for future reference.



1.9 Receiving items from vendor

Once the styles arrive from the vendor the user can copy the send out content to the Production data collection and print the goods receipt.



Production Data Collection

Code: 142 Employee: Sylv Residence: Lucas M Minutes Presence: Unproductive Minutes:

Posting Date: 2003/14 Vendor: V001

#	Bar Code	Cat/Kit#	Model Code	Description	Color	Size	Variable	Work Center	Machine-Resource	Stage	Operation Code	Operation	Qty	B
1	0000042700012	100	T0107	Roseline T-Shirt	029	US	L			427	0001	Corte / Cutting	8,000	
2	0000042700029	100	T0107	Roseline T-Shirt	029	US	L			427	0001	Corte / Cutting	8,000	
3	0000042700036	100	T0107	Roseline T-Shirt	029	US	L			427	0001	Corte / Cutting	8,000	
4	0000042700043	100	T0107	Roseline T-Shirt	029	US	L			427	0001	Corte / Cutting	8,000	
5	0000042700050	100	T0107	Roseline T-Shirt	029	US	L			427	0001	Corte / Cutting	8,000	
6	0000042700067	100	T0107	Roseline T-Shirt	029	US	M			427	0001	Corte / Cutting	8,000	
7	0000042700074	100	T0107	Roseline T-Shirt	029	US	M			427	0001	Corte / Cutting	8,000	
8	0000042700081	100	T0107	Roseline T-Shirt	029	US	M			427	0001	Corte / Cutting	4,000	
9	0000042700098	100	T0107	Roseline T-Shirt	029	US	S			427	0001	Corte / Cutting	8,000	
10	0000042700104	100	T0107	Roseline T-Shirt	029	US	S			427	0001	Corte / Cutting	2,000	
11	0000042700111	100	T0107	Roseline T-Shirt	029	US	XL			427	0001	Corte / Cutting	8,000	
12	0000042700128	100	T0107	Roseline T-Shirt	029	US	XL			427	0001	Corte / Cutting	2,000	
13	0000042700135	100	T0107	Roseline T-Shirt	200	US	L			427	0001	Corte / Cutting	8,000	
14	0000042700142	100	T0107	Roseline T-Shirt	200	US	L			427	0001	Corte / Cutting	8,000	
15	0000042700159	100	T0107	Roseline T-Shirt	200	US	L			427	0001	Corte / Cutting	4,000	
16	0000042700166	100	T0107	Roseline T-Shirt	200	US	M			427	0001	Corte / Cutting	8,000	
17	0000042700173	100	T0107	Roseline T-Shirt	200	US	M			427	0001	Corte / Cutting	2,000	

OK Cancel

Code: 142
Date: 03/20/2014

Employee: 1
Name: Ritondale, Lucas


O001 Corte / Cutting


0000042700012
T0107
Roselline T-Shirt
Color: Ivory
Size: L
Qty: 8.00
Bad Qty: 0.00

O001 Corte / Cutting


0000042700029
T0107
Roselline T-Shirt
Color: Ivory
Size: L
Qty: 8.00
Bad Qty: 0.00

O001 Corte / Cutting


0000042700036
T0107
Roselline T-Shirt
Color: Ivory
Size: L
Qty: 8.00
Bad Qty: 0.00

O001 Corte / Cutting


0000042700043
T0107
Roselline T-Shirt
Color: Ivory
Size: L
Qty: 8.00
Bad Qty: 0.00